

amended A

Sec. 61. Subdivision (1) of subsection (a) of section 16-262v of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(1) "Eligible projects" means those water company plant projects not previously included in the water company's rate base in its most recent general rate case and that are intended to improve or protect the quality and reliability of service to customers, including (A) renewal or replacement of existing infrastructure, including mains, valves, services, meters and hydrants that have either reached the end of their useful life, are worn out, are in deteriorated condition, are or will be contributing to unacceptable levels of unaccounted for water, or are negatively impacting water quality or reliability of service if not replaced; (B) main cleaning and relining projects; (C) relocation of facilities as a result of government actions, the capital costs of which are not otherwise eligible for reimbursement; [and] (D) purchase of leak detection equipment or installation of production meters, and pressure reducing valves; (E) purchase of energy efficient equipment or investment in renewable energy supplies; and (F) capital improvements necessary to comply with flow regulations adopted pursuant to section 26-141b.

Sec. 62. Subsection (i) of section 16-262w of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(i) The amount of the WICA applied between general rate case filings shall not exceed [seven and one-half] ten per cent of the water company's annual retail water revenues approved in its most recent rate filing, and shall not exceed five per cent of such revenues for any twelve-month period. The amount of the adjustment shall be reset to zero as of the effective date of new base rates approved pursuant to section 16-19 and shall be reset to zero if the company exceeds the allowable rate of return by more than one hundred basis points for any calendar year.